

FEB 19 2001  
ENVIRONMENTAL PROTECTION

HOUSE FILE 314  
BY KREIMAN

(COMPANION TO SF 5  
BY SCHUERER)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act providing incentives for the installation, replacement, or  
2 conversion of motor vehicle fuel storage tanks used to store  
3 and dispense super ethanol and providing funding.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 15.313, subsection 2, Code 2001, is  
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. j. To reimburse the owner or operator of a  
4 site for costs necessary to install, replace, or convert an  
5 aboveground motor vehicle fuel storage tank for use in storing  
6 and dispensing super ethanol as provided in section 455G.23.  
7 The department shall make payment from the fund upon a written  
8 demand by the Iowa comprehensive petroleum underground storage  
9 tank fund board in order to provide for reimbursement  
10 according to procedures adopted by the department in  
11 cooperation with the board. The department is not required to  
12 make payments from the fund totaling more than five hundred  
13 thousand dollars in any fiscal year.

14 Sec. 2. Section 15.313, subsection 4, Code 2001, is  
15 amended to read as follows:

16 4. a. The director shall submit annually at a regular or  
17 special meeting preceding the beginning of the fiscal year,  
18 for approval by the economic development board, the proposed  
19 allocation of funds from the Iowa strategic investment fund to  
20 be made for that fiscal year to the community economic  
21 betterment program, the business development finance  
22 corporation, the self-employment loan program, and the  
23 targeted small business financial assistance program and for  
24 comprehensive management assistance. The director shall  
25 notify the economic development board of the expected amount  
26 required to support the super ethanol storage tank incentive  
27 program as provided in section 455G.23. If funds moneys are  
28 available under a federal microloan demonstration program, the  
29 director may recommend an allocation for that purpose. The  
30 plans may provide for increased or decreased allocations if  
31 the demand in a program indicates that the need exceeds the  
32 allocation for that program.

33 b. The director shall report on a monthly basis to the  
34 board on the status of the funds moneys in the fund and may  
35 present proposed revisions for approval by the board in

1 January and April of each year.

2 c. Unobligated and unencumbered moneys remaining in the  
3 ~~strategic-investment~~ fund or any of its accounts on June 30 of  
4 each year shall be considered part of the fund for purposes of  
5 the next year's allocation.

6 Sec. 3. Section 455G.4, Code 2001, is amended by adding  
7 the following new subsection:

8 NEW SUBSECTION. 6. SUPER ETHANOL STORAGE TANK INCENTIVE  
9 PROGRAM. The board and the department of economic development  
10 shall cooperate in order to reimburse owners or operators of  
11 motor vehicle fuel storage tanks storing super ethanol as  
12 provided in section 455G.23 from the Iowa strategic investment  
13 fund pursuant to section 15.313.

14 Sec. 4. NEW SECTION. 455G.23 SUPER ETHANOL STORAGE TANK  
15 INCENTIVE PROGRAM.

16 1. As used in this section:

17 a. "Motor vehicle fuel" means the same as defined in  
18 section 214A.1.

19 b. "Motor vehicle fuel pump" or "pump" means the same as  
20 defined in section 214.1.

21 c. "Motor vehicle fuel storage tank" or "tank" means a  
22 container that is a fixture on a site, used to keep an  
23 accumulation of motor vehicle fuel.

24 d. "Site" means the premises where a motor vehicle fuel  
25 tank is located, if the tank is used to serve a connecting  
26 motor vehicle fuel pump where motor vehicle fuel is dispensed  
27 to customers on a retail basis.

28 e. "Super ethanol" means motor vehicle fuel containing at  
29 least eighty-five percent ethanol according to standards  
30 established by rules adopted by the department of agriculture  
31 and land stewardship pursuant to chapter 214A.

32 2. The board shall establish a super ethanol storage tank  
33 incentive program to reimburse the owner or operator of a site  
34 for costs necessary to install, replace, or convert an  
35 aboveground motor vehicle fuel storage tank for use in storing

1 and dispensing super ethanol. An owner or operator shall not  
2 be reimbursed more than seven thousand five hundred dollars  
3 for each tank that is installed, replaced, or converted under  
4 the program. In order to be eligible for reimbursement, all  
5 of the following must apply:

6 a. The motor vehicle fuel storage tank must be located at  
7 a site.

8 b. The site must comply with federal and state standards  
9 governing new or upgraded motor vehicle fuel storage tanks  
10 used to store and dispense motor vehicle fuel, including super  
11 ethanol.

12 c. The owner or operator of the site must apply to the  
13 board in a manner and according to procedures required by the  
14 board. The application must contain all information required  
15 by the board and shall at least include all of the following:

16 (1) The name of the owner or operator and the address of  
17 the site.

18 (2) A detailed description of the motor vehicle fuel  
19 storage tank to be installed, replaced, or converted on the  
20 site, including but not limited to the model number of the  
21 tank if available.

22 (3) A statement that the installation, replacement, or  
23 conversion is necessary to store super ethanol.

24 3. A site classified as a no further action site pursuant  
25 to a certificate issued by the department under section  
26 455B.474 shall retain its classification following  
27 modifications necessary to store and dispense super ethanol,  
28 and the owner or operator shall not be required to perform a  
29 new site assessment unless the site causes a clear, present,  
30 and impending danger to the public health or the environment.

31 EXPLANATION

32 This bill establishes a super ethanol storage tank  
33 incentive program administered by the Iowa comprehensive  
34 petroleum underground storage tank fund board. The purpose of  
35 the program is to reimburse the owner or operator of a site

1 for costs necessary to install, replace, or convert an  
2 aboveground motor vehicle fuel storage tank for use in storing  
3 and dispensing motor vehicle fuel containing at least 85  
4 percent ethanol (referred to as "super ethanol"). An owner or  
5 operator cannot be reimbursed more than \$7,500 for each tank  
6 that is installed, replaced, or converted under the program.  
7 The bill provides eligibility and application requirements.  
8 The bill provides that a site classified as a no further  
9 action site pursuant to a certificate issued by the department  
10 of natural resources retains its classification following  
11 modifications necessary to store and dispense super ethanol.  
12 Moneys used to support the fund derive from the Iowa strategic  
13 investment fund administered by the department of economic  
14 development. The bill provides procedures for the expenditure  
15 of moneys from the fund. The bill provides that not more than  
16 \$500,000 from the fund shall be used to support the program  
17 during any one fiscal year.

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